

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA

January 1, 2004 to December 31, 2004



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OFFICIALS

Office

Official

Term

Chairman, Bureau of Motor
Vehicles Commission

Gerald Coleman
Mary DePrez
Joel Silverman

01-06-02 to 02-29-04
03-01-04 to 01-09-05
01-10-05 to 01-11-09

Branch Manager

LeEtta D. Bales
Vacant
Brittany K. Maxton

01-01-04 to 02-08-05
02-09-05 to 10-22-05
10-23-05 to 12-31-05



STATE OF INDIANA

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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Number 4 (Branch) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 10, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA
SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
January 1, 2004 to December 31, 2004

	<u>Amount</u>
Collections:	
Registrations	\$ 3,310,590
Titles	824,469
Drivers licenses	128,255
Watercraft	1,073,653
Miscellaneous	<u>1,311</u>
Total	<u>\$ 5,338,278</u>
Distributions:	
State fees	\$ 2,172,610
County tax	2,713,311
Commission fees	<u>452,357</u>
Total	<u>\$ 5,338,278</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA
STATISTICAL INFORMATION
January 1, 2004 to December 31, 2004

<u>Transactions Processed</u>	<u>Quantity</u>
Vehicle registrations:	
Passenger	18,745
Motorcycle	857
RV (housecar)	540
Light truck	8,362
Other truck	262
Farm truck	139
Tractor	41
Trailer	5,153
Semitrailer	415
School and church bus	16
Other bus	5
Other	19
Total vehicle registrations	<u>34,554</u>
Drivers licenses and permits:	
Drivers licenses/learners permits	5,547
CDL licenses/CDL permits	409
Placards	725
Other	3,343
Total drivers licenses and permits	<u>10,024</u>
Titles:	
Vehicles	11,910
Watercraft	748
Total titles	<u>12,658</u>
Total watercraft registrations	<u>16,464</u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA
EXAMINATION RESULTS AND COMMENTS

TRANSFER OF FUNDS

Fifteen of two hundred forty-six invoices were not transferred in accordance with the transfer schedule developed by the Bureau of Motor Vehicles.

All transfers must be made in accordance with the Bureau's prescribed transfer schedule. (Branch Operations Policies and Procedures Manual, Journal Chapter)

DEPOSIT COMPOSITION

The composition of cash, checks and credit card totals on the cash register tapes did not agree with the breakdown on the bank deposit tickets and credit card deposit forms on fifty percent of the invoices tested.

Transactions must be entered into the register according to the correct department and payment category keys at all times. (Branch Operations Policies and Procedures Manual, Periodic Reconcilements Chapter) IC 5-13-6-1 states in part: "Public funds . . . shall be deposited in the same form in which they were received."

DAILY DEPOSITS

The Branch did not consistently deposit receipts by the following business day on 20% of the invoices tested.

IC 5-13-6-1(b) states in part: ". . . all public funds . . . shall be deposited with the treasurer of state, or an approved depository selected by the treasurer of state not later than the business day following the receipt of the funds."

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 4
ANGOLA, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on November 10, 2005, with Brittany K. Maxton, Branch Manager. The official concurred with our findings.